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CASES & MATERIALS ON
COMMERCIAL & CONSUMER TRANSACTIONS
(THIRD CONSOLIDATED EDITION)

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CASES AND MATERIALS ON
COMMERCIAL AND CONSUMER TRANSACTIONS

edited by

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THIRD EDITION
(Consolidated Version)

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PREFACE TO THIRD EDITION

The hectic pace of developments in the commercial and consumer law fields referred to in the first edition of this casebook has not abated and is the principal reason why it has been found necessary to issue three editions in as many years. The changes have affected all the three areas covered in the casebook — sales, consumer credit, and secured transactions — but in this third edition I have concentrated on the first two.

In the sales chapters I have incorporated *inter alia* substantial amounts of new materials on the regulation of misleading advertising, the important decision of the House of Lords in the *Ashington Piggeries* case, and the California Supreme Court decision in *Vasquez v. Superior Court of Joaquin County*. Chapter IX on the manufacturer's responsibilities towards the retail buyer has been completely reorganized, partly because my own thoughts on the subject have changed and partly to reflect the important American statutory developments with respect to manufacturers' express warranties. Overriding both events has been the very recent publication of the report of the Ontario Law Reform Commission on consumer warranties and guarantees. References to the report are liberally sprinkled throughout the first volume of the casebook.

The important changes made in Volume 2 involve credit cards and open-ended accounts, billing practices, and credit reporting. I have also seized the opportunity to add a substantial number of new notes, introductory and otherwise, to give a sense of perspective and to encourage the student to think critically about the materials he is reading. Unhappily time did not permit me to add as many notes as I should have liked and the later chapters in particular continue to suffer from this form of malnutrition.

I have tried to offset all these additions by deleting some of the older and less important materials or condensing what it was necessary to retain. I fear I have been less than successful because Volume 1 is significantly bulkier than its predecessor. A large share of the increase however is due to an entirely new factor. My colleagues and I decided to accept an offer from CCH Canada to supply us with a students' edition of Volume 2 of the Canadian Sales & Credit Law Guide to take the place of Professor Neilson's volume of Transactional and Statutory Materials. The substitution however is not complete and the materials not found in the Students' Edition but necessary for teaching purposes have been added in the form of Appendices to Volumes 1 and 2 of the casebook.

I am greatly indebted to Blake Murray, LL.B.II, for valuable research and editorial assistance and to my secretary, Mrs. Catherine McWhinnie, for her splendid typographical skills.

Jacob S. Ziegel

PREFACE TO CONSOLIDATED VERSION
OF THIRD EDITION

The casebook was substantially revised last year and it was decided not to prepare a new edition for use during the 1973-4 academic year, other than to make a number of minor corrections. Instead, supplementary materials will be issued covering important developments during the intervening period. It is hoped that this arrangement will be cheaper and also enable those students with access to second-hand copies of last year's edition to continue to make use of them.

However, one important change has been made in the size of this year's materials. Experience has shown that four hours a week is just barely sufficient to cover the sales and consumer credit portions of the syllabus; it certainly leaves no time for an even superficial treatment of chattel security law other than vendor's remedies under a secured sale. The latter topic can be suitably incorporated (as it has been in this book — see Ch.XIV) in the consumer credit portion. In view of the time factor it was decided to omit Part B (pp.874 *et seq.*) from the current printing, thus enabling us to reduce the original two volumes to one enlarged volume. This decision was substantially influenced by the fact that chattel security law is now offered as a separate course at Osgoode Hall and that a new casebook on the subject is in the course of preparation.

J.S.Z.

July, 1973.

Table of Contents

Prefaces	i
Table of Abbreviations	xiii
Concordance of Sale of Goods Act	xiv

Part A

SALES AND CREDIT TRANSACTIONS

	<u>Page No.</u>
I. <u>THE EVOLUTION OF MODERN SALES LAW</u>	
Historical Note	1
Extract, Roundtable on Current Commercial Law Developments	4
Honnold, "American Experience under Article 2"	8
<i>Bank of England v. Vagliano Bros.</i>	18
II. <u>THE CONCEPT OF SALE</u>	
Introductory Note	20
<i>Robshaw Bros., Ltd. v. Mayer</i>	21
<i>Lee v. Butler</i>	23
<i>Helby v. Matthews</i>	25
<i>Robinson v. Graves</i>	30
<i>Young & Marten Ltd. v. McManus Childs Ltd.</i>	34
<i>Weiner v. Harris</i>	38
Restatement 2d, <u>Agency</u> , Vol.I, Ch.14	42
<i>Langley v. Kahnert</i>	43
III. <u>FORMATION OF THE SALES CONTRACT</u>	
Introductory Note	47
<i>Gallie v. Lee</i>	49
<i>C.A.C. v. Paris</i>	60
<i>W.W. Distributors & Co. Ltd. v. Thorsteinson</i>	67
<i>Trans-Canada Credit v. Zaluski</i>	70
<i>Re Jackson et al. & Beaudry</i>	73

"F.T.C. imposes 'cooling off' period"	80
<i>Ranger v. Herbert A. Watts (Quebec) Ltd.</i>	85
Newspaper clippings on prize promotions	90

IV. PRICE

Introductory Note	92
Extract, "Recent Legislative and Judicial Trends in Consumer Credit"	93
<i>A.G. Ontario v. Barfried Enterprises Ltd.</i>	99
<i>Morehouse v. Income Investments Ltd.</i>	106
Unit Pricing	116
Extract, Annual Report, Director, Combines Investigation Branch	118
<i>R. v. Colgate-Palmolive Ltd.</i>	125

V. THE TERMS OF THE CONTRACT AND THE PARTIES' OBLIGATIONS

The Business Background:

Boulton, The Making of Business Contracts	129
---	-----

Effect of Representations by the Seller and by Third Parties:

(a) Private Law Aspects

<i>Leaf v. International Galleries</i>	133
<i>Oscar Chess Ltd. v. Williams</i>	139
<i>Quaker Oats Co. of Canada Ltd. v. Kitzul</i>	144
Boulton, <i>op. cit.</i>	147
<i>Cochran v. McDonald</i>	149
<i>Shanklin Pier Ltd. v. Detel Products Ltd.</i>	151
<i>Randy Knitwear Inc. v. American Cyanamid Co.</i>	153
"The Case of the Slippery Shoes"	158

(b) Public Law Aspects

Introductory Note	159
News Release, D.C.C.A.	161
Extracts, Bill C-256	Appendix 838
Newspaper Clippings	164
Extract, Annual Report, D.C.C.A.	166
<i>R. v. Imperial Tobacco</i>	167
Industry Responses	170
F.T.C. Resolution re Substantiating Documents	172
F.T.C. Ad Documentation Orders	174
Newspaper Clipping re Cold Drugs	175
"Counter Advertising"	176

VI. THE SELLER'S CONTRACTUAL OBLIGATIONS1. Title, etc.

<i>Niblett v. Confectioners Materials Co.</i>	177
<i>Rowland v. Divall</i>	180
<i>Sloan v. Empire Motors</i>	184
<i>Karflex Ltd. v. Poole</i>	188
<i>Warman v. Southern Counties Car Finance Co.</i>	194
<i>Butterworth v. Kingsway Motors</i>	199
<i>Mason v. Burningham</i>	206

2. Time, Delivery & Quantity

<i>Hartley v. Hymans</i>	210
<i>Allen v. Danforth Motors Ltd.</i>	212
<i>Chas. Rickards Ltd. v. Oppenheim</i>	215
<i>Boulton, op. cit.</i>	221
<i>Wilensko v. Ferwick & Co. Ltd.</i>	229
<i>Braithwaite v. Foreign Hardwood Co.</i>	233
<i>Scythes & Co. Ltd. v. Dods Knitting Co. Ltd.</i>	236

3. The Seller's Obligations with Respect to Description, Merchantability, Fitness, and Sample(1) Description

(a) Meaning of sale "by description"

<i>Varley v. Whipp</i>	239
<i>Beale v. Taylor</i>	241
<i>Sams v. Ezy-way Foodliner Co.</i>	243
<i>Ashington Piggeries Ltd. v. Christopher Hill Ltd.</i>	247

(b) The scope of s.14

<i>Andrews v. Singer & Co.</i>	264
<i>Arcos v. E.A. Ronaasen & Son</i>	268

(2) Merchantability

(a) Meaning of term

<i>Henry Kendall & Sons v. Wm. Lillico & Sons</i> .	271
<i>Wilson v. Rickett</i>	278
<i>I.B.M. v. Shcherban</i>	281
<i>Ashington Piggeries case, supra.</i>	247

(b) Second-hand goods

<i>Bartlett v. Sydney Marcus Ltd.</i>	286
---	-----

(c) Roadworthiness, motor vehicles,
and other warranty problems

Introductory Note on Used Cars	288
Statistics on Dealer Practices	290
Motor Vehicle Dealers Act (Ont.)	CCH Vol.
Highway Traffic Act, s.58	293
Certificate of Mechanical Fitness	294
The <i>Crang Plaza</i> case	295
<i>Presley v. MacDonald</i>	309
Example of Used Car Warranty	314
M.V. Safety Act (Extracts)	315
What has been done to date? A Critical Voice	317
Newsclipping re Copying U.S. Rules	324

(d) Other public controls of dangerous products

Food and Drugs Act (Can.), secs. 4, 8, 15 and 18	325
Hazardous Products Act (Can.)	326
Extract from <u>Time</u>	329

(e) Allergies

<i>Ingham v. Emes</i>	330
-----------------------------	-----

(f) Perishable goods and durability

<i>Mash & Murrell Ltd. v. Jos. I. Emmanuel Ltd.</i>	332
---	-----

(g) Compliance with law of place of delivery

<i>Sumner Permain & Co. v. Webb & Co.</i>	339
---	-----

(h) Meaning of examination under s.15.2

<i>Thornett Fehr v. Beers & Son</i>	341
---	-----

(3) The Implied Condition of Fitness

<i>Baldry v. Marshall</i>	344
<i>Ashington Piggeries v. Christopher Hill, supra.</i> ..	247

(4) The Implied Conditions in a Sale by Sample

<i>Mody v. Gregson</i>	348
------------------------------	-----

VII. THE BUYER'S REMEDIES FOR BREACH OF THE SELLER'S OBLIGATIONS

1. The Right to Reject and Statutory Limitations Thereon

(a) By virtue of s.12(1) and s.19, r.1:

<i>Varley v. Whipp, supra</i>	239
<i>Home Gas Ltd. v. Streeter</i>	355

(b) By virtue of secs. 34-5:

<i>Hardy & Co. (London) Ltd. v. Hillerns & Fowler</i> .	359
<i>Rafuse Motors Ltd. v. Mardo Construction Ltd.</i> ..	363
<i>Hart-Parr Co. v. Jones</i>	367

(c) Part rejection and part acceptance in indivisible contracts

<i>Wm. Barker (Junior) & Co. Ltd. v. Ed. T. Agius Ltd.</i>	372
--	-----

(d) Instalment contracts

<i>Maple Flock Co. Ltd. v. Universal Furniture Products (Wembley) Ltd.</i>	374
--	-----

2. Damages

<i>C. Czarnikow v. Koufos</i>	379
<i>Cullinane v. British "Rema" Mfg. Co. Ltd.</i>	388
Street, Principles of the Law of Damages	393
<i>R.G. McLean Ltd. v. Can. Vickers Ltd.</i>	394
<i>Freedhof v. Pomalift Industries</i>	402

3. Specific Performance

<i>In re Wait</i>	406
<i>Cohen v. Roche</i>	412
UCC 2-502, 2-716	Appendix 858, 868

VIII. CONTRACTUAL AND OTHER LIMITATIONS ON THE BUYER'S RIGHTS & REMEDIES

1. Disclaimer Clauses

Typical clauses in retail contracts

(a) Recent judicial developments

<i>Suisse Atlantique v. N.V. Rotterdamschen Kolen Centrale</i>	413
<i>R.G. McLean v. Can. Vickers Ltd., supra</i>	394

<i>Harbutt's Plasticine Ltd. v. Wayne Tank</i>	
<i>Co. Ltd.</i>	422
<i>Henningsen v. Bloomfield Motors</i>	427

(b) Legislative provisions

Ontario Cons. Protection Act, s.44a	CCH Vol.	
Manitoba Consumer Protection Act, Pt. VI	CCH Vol.	
Sask. Agricultural Implements Act, 1968,		
s.16 and Sched. A	CCH Vol.	
UCC 2-302, -316, -317, -719	Appendix	849
OLRC Recommendations	Appendix	807
Problem		436

2. Cut-off Clauses and Promissory Notes:
the Buyer-Financer Relationship

Bills of Exchange Act, secs. 56-59, 74, 176	CCH Vol.	
Ziegel, 8 Alta. L. Rev. 59, 69-72		437
<i>Killoran v. Monticello State Bank</i>		439
<i>Federal Discount Corp. v. St. Pierre</i>		445
<i>Range v. Belvedere Finance Corp.</i>		453

Bills of Exchange Amendment Act (1970)	CCH Vol.	
Ont. C.P. Act, ss. 42, 42a	CCH Vol.	
The non-stoppable cheque: <i>BNS v. Archo Industries</i> ..		457
Extract from Rosenthal		458

3. Practical Restrictions on the Buyer's Ability to Litigate

Marsden-Smedley, "Is the Legal System Any Use to Consumers?"		459
Ont. Consumer Protection Bureau Act	CCH Vol.	
Rule 23, Federal Rules of Civil Procedure (U.S.) ...		466
Rules of Practice, Supreme Court of Ontario		467
<i>Vasquez v. Sup. Ct. of San Joaquin County</i>		468
<i>Canadian Tire Corp. v. Desmond</i>		480
"How to Make Good Money at Supermarkets"		483

IX. THE BUYER'S CLAIM AGAINST THE MANUFACTURER: THE PRIVACY PROBLEM

1. Obligations Imposed by Law: Canadian & U.S. Developments

Extract, OLRC Warranties Report		484
<i>Henningsen's case, supra</i> , Extract No. 2		505
<i>Santor v. A. & M. Karaghensian Inc.</i>		506
<i>Seely v. White Motor Co.</i>		511

2. The Problem of Horizontal Privacy

Extract, OLRC Warranties Report		521
<i>Henningsen's case, supra</i> , Extract No. 3		524

3. Manufacturers Express Warranties

<i>Henningsen's case, supra</i> , Extract No. 4	525
Comparative Table of Auto Warranties, 1971	527
American Motors 1971 New Car Warranty	529
Louis Romero's findings	530
CAMA documents	532
Westinghouse Dryer Warranty	535
Extract, Bill S.986	536
Song-Beverley Act	541
Questions	544

X. THE PASSING OF PROPERTY BETWEEN SELLER AND BUYER

S.19, r.1 <i>Jerome v. Clements Motor Sales Ltd.</i>	545
S.19, r.4 Goods on "sale or return" - see <i>supra</i> , ch.II.	
S.19, r.5 <i>Carlos Federspiel & Co. v. Chas. Twigg & Co.</i>	551
<i>Caradoc Nurseries v. Marsh</i>	555

XI. THE TRANSFER (OR RETENTION) OF TITLE AND THE POSITION OF THIRD PARTIES: EXCEPTIONS TO THE 'NEMO DAT' RULE

Exceptions:

Introductory Note	558
-------------------------	-----

1. Where the Buyer is in Possession

<i>Traders Finance Corp. v. Dawson Implements</i>	559
<i>Century Credit Corp. v. Richard</i>	562
<i>Newtons of Wembley Ltd. v. Williams</i>	566
<i>Kozak v. Ford Motor Credit Co.</i>	571
<i>Central Newbury Car Auctions v. Unity Finance</i>	579

2. Where the Seller Remains in Possession

<i>Pacific Motor Auctions Pty. Ltd. v. Motor Credits (Hire Finance) Ltd.</i>	588
--	-----

3. Inventory Financing and the Buyer in Ordinary Course

<i>Traders Group Ltd. v. Gouthro</i>	594
<i>Lloyds & Scottish Finance Ltd. v. Williams</i>	601

4. Towards a More Rationalized Approach

Law Reform Committee (U.K.), 12th Report	605
--	-----

5. The Bulk Sales Act CCH Vol.

XII. THE BUYER'S OBLIGATIONS AND THE SELLER'S RIGHTS AND REMEDIES

1. <u>The Buyer's Obligations</u> - references	608
2. <u>The Seller's Remedies: Cash Sales</u>	
<i>R.V. Ward v. Bignall</i>	608
<i>Colley v. Overseas Exporters Ltd.</i>	616
<i>Caradoc Nurseries Ltd. v. Marsh: see, supra, ch.X</i> ...	555
<i>Charter v. Sullivan</i>	623
<i>Stockloser v. Johnson</i>	628

XIII. CREDIT TRANSACTIONS: CONSUMER CREDIT

1. <u>General Background</u>	
The Growth of Consumer Credit: Some recent statistics	641
Neufeld, The Economic Significance of Consumer Credit, and commentary by Wallace P. Mors	642
Gerald Fortin, The Social Meaning and Implications of Consumer Credit	658
Ziegel, The Legal Regulation of Consumer Credit	664
2. <u>The Cashless Society - Herein of Credit Cards, Credit Reporting, and Billing Problems</u>	
Summary of F.R.S. Report on Credit Cards	675
Newspaper clipping	678
Charge Account Bankers: The New Merchants	679
Legal Aspects:	
(a) Introductory Note	686
(b) Chargex agreements	687
(c) 1970 amendment to CCPA	689
(d) Fair Credit Billing Act - S.652	690
(e) The distraught engineer - clipping	693
Report accompanying the FCRA	694
Note on Canadian developments	699
"Secret reports that foil job-seekers"	700

XIV. RIGHTS AND REMEDIES OF THE CONDITIONAL SELLER

1.	<u>Action for Price</u>	
	Limitation of Civil Rights Act, s.18 <i>et seq.</i> (Sask.)..	CCH Vol.
	<i>Trans-Canada Corp. v. Foubert</i>	702
	Man. C.P. Act, s.53	CCH Vol.
2.	<u>Right to Repossess</u>	
	<i>Financings Ltd. v. Baldock</i>	705
	Note on <i>Baldock's</i> case	712
3.	<u>Restrictions on Right of Repossession</u>	
	<i>R. v. Doucette</i>	713
	Note	718
4.	<u>To Sue for Price after Repossession</u>	
	<i>McNutt v. Alexander Fraser Ltd.</i>	719
5.	<u>Acceleration Clauses and the Buyer's Right to Reinstate the Agreement</u>	
	<i>Protector Loan etc. Co. v. Grice</i>	722
	<i>Perisluka v. G.M.A.C.</i>	727
	C.P. Act (Man.), s.33	CCH Vol.
6.	<u>The Right to sue for Deficiency after Repossession and Resale</u>	
	<i>Humphrey Motors Ltd. v. Ells</i>	730
	<i>General Securities Ltd. v. Lyons</i>	735
	<i>C.A.C. v. Fisher</i>	738
	Note on Deficiency Rights	747
7.	<u>The Seller's Right to Claim Damages for Breach of Contract</u>	
	<i>Yeoman Credit Ltd. v. Waragowski</i>	748
	<i>C.A.C. v. Regent Park Butcher Shop Ltd.</i>	750
8.	<u>Computation of Amount of Deficiency (or damages) and Rebate Rights</u>	
	<i>I.A.C. v. Smith</i>	758
	<i>Delta Acceptance Corp. v. Redman</i>	760
	Note	766
9.	<u>The Buyer's Right to any Surplus</u>	
	<i>Chan v. C.C. Motor Sales</i>	768
10.	<u>Forfeiture of Instalments</u>	
	<i>Stockloser v. Johnston, supra</i> , ch.XII	628
11.	<u>Conflict of Laws Problems</u>	
	Note	772

APPENDICESA. Transactional Materials

1. Paul Willison Toronto Ltd.: Retail Buyer's Vehicle Order and Agreement	773
2. Bank of Nova Scotia:	
(a) Dealer Agreement	775
(b) Dealer Agreement Letter	778
(c) Conditional Sale Contract	781
(d) Promissory Note	784
(e) Chattel Mortgage	786
3. Laurentide Financial Corporation: Industrial C.S. Contract	788
4. Beneficial Finance Co.:	
(a) Chattel Mortgage Loan for \$1,500 or less	791
(b) Chattel Mortgage Loan for over \$1,500	796
5. C.A.C. Leasing Co.: Leasing Contract	798
6. X Auto Leasing Ltd.: Leasing Contract	806

B. Ontario Law Reform Commission,
Report on Consumer Warranties

Summary of Recommendations	807
----------------------------------	-----

C. Statutory Materials

1. Canada	
(a) Extracts, Bill C-256 (Competition Act)	838
(b) Extracts, Consumer Packaging & Labelling Act) ...	841
2. U.S.	
(a) Extracts, F.T.C. Act	845
(b) Extracts, UCC, Article 2	847
3. England	
(a) Extracts, Hire-Purchase Act 1965	871
(b) Extracts, Misrepresentation Act 1967	873

TABLE OF ABBREVIATIONS

Treatises and Reports

ATIIAH	The Sale of Goods, 4th ed. (1971)
BENJAMIN	Benjamin on Sales
BOGERT, BRITTON & HAWKLAND	Cases and Materials on Sales and Security, 4th ed.
BOULTON	The Making of Business Contracts (1965)
CCH CANADIAN	Canadian Sales & Credit Law Guide (Loose leaf, 2 vols.)
CCH (U.S.)	Instalment Credit Guide (Loose leaf, 2 vols.)
CROWTHER	Report of the Committee on Consumer Credit (London, 1971)
FALCONBRIDGE	Banking & Bills of Exchange, 7th ed.
FRIDMAN	Sale of Goods (1966)
GOODE & ZIEGEL	Hire-Purchase and Conditional Sale: A Comparative Study (1965)
HONNOLD	Cases & Materials on Sales and Sales Financing, 2nd ed.
NEILSON	Consumer and the Law in Canada (1970)
OLRC Report	Ontario Law Reform Commission, Report on Consumer Warranties and Guarantees (August 1972)
SUTTON	The Law of Sale of Goods in Australia & New Zealand (1967)
WILLISTON	Williston on Sales (Revised ed., 4 vols.)
ZIEGEL & FOSTER	Aspects of Comparative Commercial Law (Montreal, 1969)

(N.B. The above volumes will be kept on reserve)

Statutes

ABDA	Assignment of Book Debts Act, R.S.O. 1970, c.33, as am.
B.o.E.	Bills of Exchange Act (Can.), as amended 1970
B.o.S.	Bills of Sale & Chattel Mortgage Act, R.S.O. 1970, c.45 as am.
C.P.A.	Consumer Protection Act, R.S.O. 1970, c.82 as am.
C.S.A.	Conditional Sales Act, R.S.O. 1970, as am.
Factors Act	R.S.O. 1970, c.156.
P.P.S.A.	Personal Property Security Act, R.S.O. 1970, c.344
S.G.A.	Sale of Goods Act, R.S.O. 1970, c.421
U.C.C.	Uniform Commercial Code (1966 Official Text)
U.C.C.C.	Uniform Consumer Credit Code (U.S.)
U.P.P.S.A.	Model Uniform Personal Property Security Act (Can.)

SALE OF GOODS

Differences between U.K. Act and Ontario Act

<u>U.K.</u>		<u>Ontario</u>
Sec. 1	Definition of Sale	Sec. 2
2	Capacity	Sec. 3
3	Formation of Contract	Sec. 4
4	"Stat. of Frauds Section" - has now been repealed	Sec. 5 \$40 substituted for £10
5 - 21	Sec. 6 - 22
22	Sales in Market Overt	Sec. 23 excludes English rule
23	Voidable title	Sec. 24
24	Revesting of Property in stolen goods. .	OMITTED
25	Seller or buyer in possession	Sec. 25
26	Effect of Writs of Execution	OMITTED
27 - 39	Sec. 26 - 37
40	Attachment by Seller in Scotland	OMITTED
41 - 58	Sec. 39 - 56
59	Scottish law	OMITTED
60	Repeals	OMITTED
61(1)	Bankruptcy rules	OMITTED
62	Definitions	Sec. 1